Restructuring plans for Dena Bank

64. SHRI K.M- SAIFULLAH: Will the Minister of FINANCE be pleased to state the restructuring plans proposed to improve the capital support needed to assist Dena Bank which is running in losses?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALA SAHEB VIKHE PATIL): Dena Bank has reported that during the 9 months of the current financial year ended December 2000, it has earned an operating profit of Rs. 143.67 crores and a net profit of Rs. 6.59 crores. The Bank has maintained CRAR above the prescribed level of 9%. The Bank had raised Rs. 180.01 crores by issue of shares during 1996-97 to augment its Tier-I capital and has been permitted recently by the Central Government to raise Rs. 100 crores by issue of subordinated bonds to augment its Tier-II capital. Since Bank has not reported loss, no restructuring plan has been framed.

Loss suffered by Dena Bank

65. SHRI SOLIPETA RAMACHANDRA REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether Dena Bank has figured in the list of Banks incurring losses;

(b) if so, the comparative figures of loss or profit of three quarters of current financial year of the Bank;

(c) the reasons for deteriorating conditions of the Bank; and

(d) the steps taken to improve the working of the Bank?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALA SAHEB VIKHE PATIL): (a) No, Sir.

(b) Dena Bank has reported net profit of Rs. 71.43 crores and Rs. 6.59 crores for the three quarters ended 30th December, 1999 and 30th December, 2000 respectively.

(c) and (d) The Non Performing Assets (NPA) of Dena Bank